

Department of the Treasury
Internal Revenue Service

Do not file this form unless the corporation has timely filed

Form 2553 to elect to be an S corporation.
EXTENSION GRANTED TO 09/15/97

1996

For calendar year 1996, or tax year beginning , and ending

A Date of election as an S corporation 04/04/1994	Use IRS label. Otherwise, please print or type.	Name US MOBILCOMM INC. (FORMERLY US MOBILCOMM MANAGEMENT CORP)	C Employer identification number 23-2767067
B Business code no. (see Specific Instructions) 4825		Number, street, and room or suite no. (If a P.O. box, see page 9 of the instructions.) 805 BRYN MAWR AVE	D Date incorporated 04/04/1994
		City or town, state, and ZIP code NEWTOWN SQUARE, PA 19073	E Total assets (see Specific Instructions) 713,169.

F Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change in address (4) ☐ Amended return

G Check this box if this S corporation is subject to the consolidated audit procedures of sections 6241 through 6245 (see instructions before checking this box) ☐

H Enter number of shareholders in the corporation at end of the tax year ☐ 2

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1 a	Gross receipts or sales	124,794.	b	Less returns and allowances		c	Balance	124,794.
	2	Cost of goods sold (Schedule A, line 8)					2		133,457.
	3	Gross profit. Subtract line 2 from line 1c					3		-8,663.
	4	Net gain (loss) from Form 4797, Part II, line 20 (attach Form 4797)					4		
	5	Other income (loss) (attach schedule)					5		
	6	Total income (loss). Combine lines 3 through 5					6		-8,663.
Deductions (See instructions for limitations)	7	Compensation of officers	STATEMENT 2				7		
	8	Salaries and wages (less employment credits)					8		
	9	Repairs and maintenance					9		
	10	Bad debts					10		
	11	Rents					11		39,000.
	12	Taxes and licenses	STATEMENT 3				12		897.
	13	Interest					13		10,139.
	14 a	Depreciation (if required, attach Form 4562)	14a	21,402.					
	b	Depreciation claimed on Schedule A and elsewhere on return	14b						
	c	Subtract line 14b from line 14a				14c		21,402.	
	15	Depletion (Do not deduct oil and gas depletion.)					15		
	16	Advertising					16		234.
	17	Pension, profit-sharing, etc., plans					17		
	18	Employee benefit programs					18		
19	Other deductions (attach schedule)	STATEMENT 4				19		199,319.	
20	Total deductions. Add the amounts shown in the far right column for lines 7 through 19					20		270,991.	
21	Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6					21		-279,654.	
Tax and Payments	22	Tax: a Excess net passive income tax (attach schedule)	22a						
	b	Tax from Schedule D (Form 1120S)	22b						
	c	Add lines 22a and 22b				22c			
	23	Payments: a 1996 estimated tax payments and amount applied from 1995 return	23a						
	b	Tax deposited with Form 7004	23b						
	c	Credit for Federal tax paid on fuels (attach Form 4136)	23c						
	d	Add lines 23a through 23c				23d			
	24	Estimated tax penalty. Check if Form 2220 is attached <input type="checkbox"/>				24			
	25	Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See instructions for depositary method of payment				25			
	26	Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid				26			
27	Enter amount of line 26 you want: Credited to 1997 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>				27				

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

Title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐Preparer's social security number
168 40 6941

Firm's name (or yours if self-employed) and address

COGEN SKLAR LLP
150 MONUMENT ROAD - SUITE 500
BALA CYNWYD, PAE.I. No. 23 1406493
ZIP code 19004

Schedule A Cost of Goods Sold

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	SEE STATEMENT 5
6	Total. Add lines 1 through 5	6	133,457.
7	Inventory at end of year	7	133,457.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	133,457.

9a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4
(iii) ☐ Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No

If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on page 24 of the instructions and state the corporation's principal: (a) Business activity ▶ <u>TWO WAY RADIO</u> (b) Product or service ▶ <u>SERVICE</u>		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1996, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 14 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) If "Yes," enter the name of the foreign country ▶		X
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see page 14 of the instructions for other forms the corporation may have to file		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. ▶ <input type="checkbox"/>		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years ▶ \$		
10 Check this box if the corporation had subchapter C earnings and profits at the close of the tax year ▶ <input checked="" type="checkbox"/>		

Designation of Tax Matters Person

Enter below the shareholder designated as the tax matters person (TMP) for the tax year of this return:

Name of designated TMP ▶ DAVID ELKIN Identifying number of TMP ▶ 043-50-6463

Address of designated TMP ▶ 805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

		(a) Pro rata share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 21)	1	-279,654.
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income STATEMENT 6	4a	600.
	b	Dividend income	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	4d	
Deductions	e	Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	4e	
	f	Other portfolio income (loss) (attach schedule)	4f	
	5	Net gain (loss) under section 1231 (other than due to casualty or theft) (attach Form 4797)	5	
	6	Other income (loss) (attach schedule)	6	
Investment Interest	7	Charitable contributions (attach schedule)	7	
	8	Section 179 expense deduction (attach Form 4562)	8	
	9	Deductions related to portfolio income (loss) (itemize)	9	
Credits	10	Other deductions (attach schedule)	10	
	11a	Interest expense on investment debts	11a	
	b (1)	Investment income included on lines 4a, 4b, 4c, and 4f above	11b(1)	600.
	(2)	Investment expenses included on line 9 above	11b(2)	
	12a	Credit for alcohol used as a fuel (attach Form 6478)	12a	
	b	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12b(1)	
	(2)	Other than on line 12b(1) for property placed in service before 1990	12b(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12b(3)	
	(4)	Other than on line 12b(3) for property placed in service after 1989	12b(4)	
Adjustments and Tax Preference Items	c	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c	
	d	Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	
	e	Credits related to other rental activities	12e	
	13	Other credits	13	
	14a	Depreciation adjustment on property placed in service after 1986	14a	9,351.
Foreign Taxes	b	Adjusted gain or loss	14b	
	c	Depletion (other than oil and gas)	14c	
	d (1)	Gross income from oil, gas, or geothermal properties	14d(1)	
	(2)	Deductions allocable to oil, gas, or geothermal properties	14d(2)	
	e	Other adjustments and tax preference items (attach schedule)	14e	
	15a	Type of income		
	b	Name of foreign country or U.S. possession		
Other	c	Total gross income from sources outside the United States (attach schedule)	15c	
	d	Total applicable deductions and losses (attach schedule)	15d	
	e	Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	
	f	Reduction in taxes available for credit (attach schedule)	15f	
	g	Other foreign tax information (attach schedule)	15g	
	16	Section 59(e)(2) expenditures: a Type		
	b	Amount	16b	
	17	Tax-exempt interest income	17	
	18	Other tax-exempt income	18	
	19	Nondeductible expenses STATEMENT 7	19	2,193.
	20	Total property distributions (including cash) other than dividends reported on line 22 below	20	
	21	Other items and amounts required to be reported separately to shareholders (attach schedule) STATEMENT 8		
	22	Total dividend distributions paid from accumulated earnings and profits	22	
	23	Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16b	23	-279,054.

Schedule L Balance Sheets		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		8,219.		33,252.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets STMT 11				71,107.
7	Loans to shareholders				20,500.
8	Mortgage and real estate loans				
9	Other investments				
10 a	Buildings and other depreciable assets			133,370.	
b	Less accumulated depreciation			68,849.	64,521.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	10,000.		28,500.	
b	Less accumulated amortization	1,400.	8,600.	5,231.	23,269.
14	Other assets STMT 12				500,520.
15	Total assets		16,819.		713,169.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				405,439.
18	Other current liabilities STMT 13		28,899.		1,175.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities				
22	Capital stock		5.		5.
23	Paid-in or capital surplus		305,095.		966,594.
24	Retained earnings STMT 14		-317,180.		-660,044.
25	Less cost of treasury stock		()		()
26	Total liabilities and shareholders' equity		16,819.		713,169.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return		(You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)	
1	Net income (loss) per books	-281,247.	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):		
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16b (itemize): a Depreciation \$ b Travel and entertainment \$ 2,193.		
4	Add lines 1 through 3	2,193. -279,054.	
5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize): a Tax-exempt interest \$		
6	Deductions included on Schedule K, lines 1 through 11a, 15e, and 16b, not charged against book income this year (itemize): a Depreciation \$		
7	Add lines 5 and 6		
8	Income (loss) (Schedule K, line 23). Line 4 less line 7		-279,054.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed			
	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	-317,180.	
2	Ordinary income from page 1, line 21		
3	Other additions STMT 9	600.	
4	Loss from page 1, line 21	(279,654.)	
5	Other reductions STMT 10	(2,193.)	
6	Combine lines 1 through 5	-598,427.	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	-598,427.	

4562

Form

Department of the Treasury
Internal Revenue Service

Depreciation and Amortization

(Including Information on Listed Property)

OTHER

▶ Attach this form to your return.

1996

Attachment
Sequence No. 67

Name(s) shown on return

Business or activity to which this form relates

Identifying number

US MOBILCOMM INC.

OTHER DEPRECIATION

23-2767067

(FORMERLY US MOBILCOMM MANAGEMENT CORP)

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

1 Maximum dollar limitation. If an enterprise zone business, see instructions	1	17,500.
2 Total cost of section 179 property placed in service	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business only)	(c) Elected cost

7 Listed property. Enter amount from line 27	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from 1995	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 1997. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1996 Tax Year (Do Not Include Listed Property.)**Section A - General Asset Account Election**

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions ☐

Section B - General Depreciation System (GDS) (See instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15 a 3-year property						
b 5-year property		1,572.	5 YRS.	HY	200DB	315.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/			MM	S/L	
	/			MM	S/L	

Section C - Alternative Depreciation System (ADS) (See instructions.)

16 a Class life				S/L	
b 12-year			12 yrs.	S/L	
c 40-year	/		40 yrs.	MM	S/L

Part III Other Depreciation (Do Not Include Listed Property)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1996	17	21,087.
18 Property subject to section 168(f)(1) election	18	
19 ACRS and other depreciation	19	

Part IV Summary

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	21,402.
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

LHA For Paperwork Reduction Act Notice, see page 1 of the separate instructions.

Form 4562 (1996)

16251
1-04-96

5

5300522 784285 014870

050 US MOBILCOMM INC. (FORMERLY US 11500003

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limitations for automobiles.)

23a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 23b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
24 Property used more than 50% in a qualified business use:								
	:	:	%					
	:	:	%					
	:	:	%					
	:	:	%					
25 Property used 50% or less in a qualified business use:								
	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		
26 Add amounts in column (h). Enter the total here and on line 20, page 1							26	
27 Add amounts in column (i). Enter the total here and on line 7, page 1							27	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
28 Total business/investment miles driven during the year (DO NOT include commuting miles)												
29 Total commuting miles driven during the year ...												
30 Total other personal (noncommuting) miles driven												
31 Total miles driven during the year. Add lines 28 through 30												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1996 tax year:					
	:				
	:				
41 Amortization of costs that began before 1996				41	1,484.
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				42	1,484.

Form **7004**
(Rev. June 1995)Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File Corporation Income Tax Return**

OMB No. 1545-0233

Name of corporation

Employer identification number

Number, street, and room or suite no. (If a P.O. box or outside the United States, see instructions.)

City or town, state, and ZIP code

Check type of return to be filed:

- ☐ Form 1120 ☐ Form 1120-FSC ☐ Form 1120-ND ☐ Form 1120-REIT ☐ Form 1120-SF
☐ Form 1120-A ☐ Form 1120-H ☐ Form 1120-PC ☐ Form 1120-RIC ☐ Form 990-C
☐ Form 1120-F ☐ Form 1120-L ☐ Form 1120-POL ☒ Form 1120S ☐ Form 990-T

Form 1120-F filers: Check here if you do not have an office or place of business in the United States ☐

1a I request an automatic 6-month (or, for certain corporations, 3-month) extension of time until Sept 15, 1997, to file the income tax return of the corporation named above for ☒ calendar year 1997, or ☐ tax year beginning, 19, and ending, 19

b If this tax year is for less than 12 months, check reason:

- ☐ Initial return ☐ Final return ☐ Change in accounting period ☐ Consolidated return to be filed

2 If this application also covers subsidiaries to be included in a consolidated return, complete the following:

Name and address of each member of the affiliated group	Employer identification number	Tax period

3 Tentative tax (see instructions).3 NONE**4 Credits:****a** Overpayment credited from prior year.

4a

b Estimated tax payments for the tax year

4b

c Less refund for the tax year applied for on Form 4466

4c

Bal ▶

4d

e Credit from regulated investment companies

4e

f Credit for Federal tax on fuels

4f

5 Total. Add lines 4d through 4f5 NONE**6** Balance due. Subtract line 5 from line 3. Deposit this amount electronically or with a Federal Tax Deposit (FTD) Coupon (see instructions)6 NONE

Signature. Under penalties of perjury, I declare that I have been authorized by the above-named corporation to make this application, and to the best of my knowledge and belief, the statements made are true, correct, and complete.

(Signature of officer or agent)

(Title)

(Date)

FOOTNOTES

STATEMENT 1

PURSUANT TO A PLAN OF MERGER U.S. MOBILCOMM MANAGEMENT CORP
MERGED ON JULY 1, 1996 WITH U.S. MOBILCOMM, INC.
U.S. MOBILCOMM MANAGEMENT CORP BEING THE SURVIVING CORP.
SUBSEQUENTLY, THE CORPORATION CHANGED IT'S NAME TO U.S.
MOBILCOMM, INC.

FORM 1120S		COMPENSATION OF OFFICERS			STATEMENT	2
(A) NAME OF OFFICER	(B) SOCIAL SECURITY NUMBER	(C) TIME DEVOTED TO BUSINESS	PCT OF STK	(F) AMOUNT OF COMPENSATION		
AVID ELKIN	043-50-6463	FULL	75.00%	0.		
TOTAL COMPENSATION OF OFFICERS				0.		
LESS: COMPENSATION CLAIMED ELSEWHERE						
TOTAL TO FORM 1120S, PAGE 1, LINE 7						

FORM 1120S		TAXES AND LICENSES	STATEMENT	3
DESCRIPTION			AMOUNT	
DELAWARE FRANCHISE TAX			98.	
PENNSYLVANIA CAPITAL STOCK TAX			450.	
NEW YORK FRANCHISE TAX			349.	
TOTAL TO FORM 1120S, PAGE 1, LINE 12			897.	

FORM 1120S		OTHER DEDUCTIONS	STATEMENT	4
DESCRIPTION				AMOUNT
DUES AND SEMINARS				1,349.
INSURANCE				3,629.
MARKETING - NY OFFICE				14,441.
OFFICE SUPPLIES				2,531.
POSTAGE & FEDERAL EXPRESS				2,228.
HQ - TELEPHONE				1,096.
HQ - SUPPLIES				7,061.
TRAVEL				30,298.
BANK CHARGES				113.
PROFESSIONAL FEES - ACCOUNTING				45,870.
PROFESSIONAL FEES - LEGAL				60,861.
PROFESSIONAL FEES - MARKETING				26,000.
PROFESSIONAL FEES - OTHER				165.
MEALS AND ENTERTAINMENT				2,193.
AMORTIZATION EXPENSE				1,484.
TOTAL TO FORM 1120S, PAGE 1, LINE 19				199,319.

FORM 1120S COST OF GOODS SOLD - OTHER COSTS STATEMENT 5

DESCRIPTION	AMOUNT
EQUIPMENT COSTS	48,003.
SITE RENT EXPENSE	62,269.
INSURANCE FOR SYSTEM	9,475.
TELEPHONE FOR SITE MODEMS	2,000.
MARKETING INCENTIVES	2,250.
FCC FEES	1,575.
REPAIRS AND MAINTENANCE	7,000.
MISCELLANEOUS	885.
TOTAL TO FORM 1120S, PAGE 2, LINE 5	133,457.

SCHEDULE K INTEREST INCOME STATEMENT 6

DESCRIPTION	US	OTHER
CORESTATES BANK	0.	600.
TOTAL TO SCHEDULE K, LINE 4A	0.	600.

SCHEDULE K NONDEDUCTIBLE EXPENSES STATEMENT 7

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	2,193.
TOTAL TO SCHEDULE K, LINE 19	2,193.

SCHEDULE K OTHER ITEMS, LINE 21 STATEMENT 8

DESCRIPTION	AMOUNT
YOUR DEDUCTION OF LOSSES ARE LIMITED TO YOUR BASIS CONSULT YOUR TAX ADVISOR.	

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT - OTHER ADDITIONS STATEMENT 9

DESCRIPTION	AMOUNT
INTEREST INCOME	600.
TOTAL TO SCHEDULE M-2, LINE 3 - COLUMN (A)	600.

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT- OTHER REDUCTIONS STATEMENT 10

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	2,193.
TOTAL TO SCHEDULE M-2, LINE 5 - COLUMN (A)	2,193.

SCHEDULE L OTHER CURRENT ASSETS STATEMENT 11

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
OTHER RECEIVABLES	0.	10,307.
EQUIPMENT PARTS	0.	9,000.
LICENSE OPTION PAYMENTS	0.	51,200.
DEPOSITS	0.	600.
TOTAL TO SCHEDULE L, LINE 6	0.	71,107.

SCHEDULE L OTHER ASSETS STATEMENT 12

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
CONSTRUCTION IN PROGRESS	0.	500,520.
TOTAL TO SCHEDULE L, LINE 14	0.	500,520.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 13
------------	---------------------------	--------------

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
DUE TO AFFILIATE	28,899.	0.
SALES TAX PAYABLE	0.	1,175.
TOTAL TO SCHEDULE L, LINE 18	28,899.	1,175.

SCHEDULE L	ANALYSIS OF TOTAL RETAINED EARNINGS PER BOOKS	STATEMENT 14
------------	---	--------------

DESCRIPTION	AMOUNT
BALANCE AT BEGINNING OF YEAR - SCHEDULE L, LINE 24, COLUMN (B)	-317,180.
NET INCOME PER BOOKS - SCHEDULE M-1, LINE 1	-281,247.
DISTRIBUTIONS	0.
OTHER INCREASES (DECREASES)	
C CORPORATION EARNINGS DUE TO MERGER	-61,617.
BALANCE AT END OF YEAR - SCHEDULE L, LINE 24, COLUMN (D)	-660,044.

SCHEDULE K-1
(Form 1120S)

Department of the Treasury
Internal Revenue Service

Case 1:06-cv-00005-JJE Document 74-13 Filed 10/09/2007 Page 13 of 49

Shareholder's Share of Income, Credits, Deductions, etc.

See separate instructions.

For calendar year 1996 or tax year

OMB No. 1545-0130

1996

beginning

and ending

Shareholder's identifying number 043-50-6463

Corporation's identifying number 23-2767067

Shareholder's name, address, and ZIP code

Corporation's name, address, and ZIP code

DAVID ELKIN
805 BRYN MAWR AVE
NEWTOWN SQUARE PA 19073

US MOBILCOMM INC.
(FORMERLY US MOBILCOMM MANAGEMENT CORP)
805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) 75.000000%

B Internal Revenue Service Center where corporation filed its return PHILADELPHIA, PA

C Tax shelter registration number (see Instructions for Schedule K-1)

D Check applicable boxes: (1) ☐ Final K-1 (2) ☐ Amended K-1

	(a) Pro rata share items	(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:	
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 -209,741.	See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	2 Net income (loss) from rental real estate activities	2		
	3 Net income (loss) from other rental activities	3		
	4 Portfolio income (loss):			
	a Interest	4a 450.	Sch. B, Part I, line 1	
	b Dividends	4b	Sch. B, Part II, line 5	
	c Royalties	4c	Sch. E, Part I, line 4	
	d Net short-term capital gain (loss)	4d	Sch. D, line 5, col. (f) or (g)	
	e Net long-term capital gain (loss)	4e	Sch. D, line 13, col. (f) or (g)	
	f Other portfolio income (loss) (attach schedule)	4f	(Enter on applicable line of your return.)	
5 Net gain (loss) under section 1231 (other than due to casualty or theft)	5	See Shareholder's Instructions for Schedule K-1 (Form 1120S).		
6 Other income (loss) (attach schedule)	6	(Enter on applicable line of your return.)		
Deductions	7 Charitable contributions (attach schedule)	7	Sch. A, line 15 or 16	
	8 Section 179 expense deduction	8	See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	9 Deductions related to portfolio income (loss) (attach schedule)	9		
	10 Other deductions (attach schedule)	10		
Investment Interest	11 a Interest expense on investment debts	11a	Form 4952, line 1	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	b(1) 450.	See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	(2) Investment expenses included on line 9 above	b(2)		
Credits	12 a Credit for alcohol used as fuel	12a	Form 6478, line 10	
	b Low-income housing credit:		Form 8586, line 5	
	(1) From section 42(j)(5) partnerships for property placed in service before 1990	b(1)		
	(2) Other than on line 12b(1) for property placed in service before 1990	b(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989	b(3)		
	(4) Other than on line 12b(3) for property placed in service after 1989	b(4)		
	c Qualified rehabilitation expenditures related to rental real estate activities	12c	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d		
	e Credits related to other rental activities (see instructions)	12e		
	13 Other credits	13		
Adjustments and Tax Preference Items	14 a Depreciation adjustment on property placed in service after 1986	14a 7,013.	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251	
	b Adjusted gain or loss	14b		
	c Depletion (other than oil and gas)	14c		
	d (1) Gross income from oil, gas, or geothermal properties	d(1)		
	(2) Deductions allocable to oil, gas, or geothermal properties	d(2)		
	e Other adjustments and tax preference items (attach schedule)	14e		

JWA For Paperwork Reduction Act Notice, see page 1 of Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1996

Schedule K-1 (Form 1120S) (1996)

Page 2

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:	
Foreign Taxes	15 a Type of income ▶		Form 1116, Check boxes	
	b Name of foreign country or U.S. possession ▶			
	c Total gross income from sources outside the United States (attach schedule) ...	15c	Form 1116, Part I	
	d Total applicable deductions and losses (attach schedule)	15d		
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	Form 1116, Part II	
	f Reduction in taxes available for credit (attach schedule)	15f	Form 1116, Part III	
	g Other foreign tax information (attach schedule)	15g	See Instructions for Form 1116	
Other	16 Section 59(e)(2) expenditures: a Type ▶		See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	b Amount	16b		
	17 Tax-exempt interest income	17	Form 1040, line 8b	
	18 Other tax-exempt income	18		
	19 Nondeductible expenses SEE STATEMENT	19	1,645.	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	20		
	21 Amount of loan repayments for "Loans From Shareholders"	21		
	22 Recapture of low-income housing credit:			
	a From section 42(j)(5) partnerships	22a		Form 8611, line 8
	b Other than on line 22a	22b		
23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):				

US MOBILCOMM INC. (FORMERLY US MOBILCOMM

23-2767067

SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	1,645.	SEE FORM 1040 INSTRUCTIONS
TOTAL TO SCHEDULE K-1, LINE 19	1,645.	

SCHEDULE K-1
(Form 1120S)Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 1996 or tax year

OMB No. 1545-0130

1996

beginning

and ending

Shareholder's identifying number ▶ 042-54-2612

Corporation's identifying number ▶ 23-2767067

Shareholder's name, address, and ZIP code

Corporation's name, address, and ZIP code

JEFFREY NORMAN
1824 STORRS ROAD
STORRS CT 06268US MOBILCOMM INC.
(FORMERLY US MOBILCOMM MANAGEMENT CORP
805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) ▶ 25.000000%

B Internal Revenue Service Center where corporation filed its return ▶ PHILADELPHIA, PA

C Tax shelter registration number (see Instructions for Schedule K-1) ▶

D Check applicable boxes: (1) ☐ Final K-1 (2) ☐ Amended K-1

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 -69,913.	See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	2 Net income (loss) from rental real estate activities	2	
	3 Net income (loss) from other rental activities	3	
	4 Portfolio income (loss):		
	a Interest	4a 150.	Sch. B, Part I, line 1
	b Dividends	4b	Sch. B, Part II, line 5
	c Royalties	4c	Sch. E, Part I, line 4
	d Net short-term capital gain (loss)	4d	Sch. D, line 5, col. (f) or (g)
	e Net long-term capital gain (loss)	4e	Sch. D, line 13, col. (f) or (g)
	f Other portfolio income (loss) (attach schedule)	4f	(Enter on applicable line of your return.)
5 Net gain (loss) under section 1231 (other than due to casualty or theft)	5	See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
6 Other income (loss) (attach schedule)	6	(Enter on applicable line of your return.)	
Deductions	7 Charitable contributions (attach schedule)	7	Sch. A, line 15 or 16
	8 Section 179 expense deduction	8	See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	9 Deductions related to portfolio income (loss) (attach schedule)	9	
	10 Other deductions (attach schedule)	10	
Investment Interest	11 a Interest expense on investment debts	11a	Form 4952, line 1
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	b(1) 150.	See Shareholder's Instructions for Schedule K-1 (Form 1120S).
(2) Investment expenses included on line 9 above	b(2)		
Credits	12 a Credit for alcohol used as fuel	12a	Form 6478, line 10
	b Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990	b(1)	
	(2) Other than on line 12b(1) for property placed in service before 1990	b(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989	b(3)	
	(4) Other than on line 12b(3) for property placed in service after 1989	b(4)	
	c Qualified rehabilitation expenditures related to rental real estate activities	12c	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	
	e Credits related to other rental activities (see instructions)	12e	
	13 Other credits	13	
Adjustments and Tax Preference Items	14 a Depreciation adjustment on property placed in service after 1986	14a 2,338.	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251
	b Adjusted gain or loss	14b	
	c Depletion (other than oil and gas)	14c	
	d (1) Gross income from oil, gas, or geothermal properties	d(1)	
	(2) Deductions allocable to oil, gas, or geothermal properties	d(2)	
	e Other adjustments and tax preference items (attach schedule)	14e	

JWA For Paperwork Reduction Act Notice, see page 1 of Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1996

Schedule K-1 (Form 1120S) (1996)

Page 2

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:	
Foreign Taxes	15 a Type of income ▶		Form 1116, Check boxes	
	b Name of foreign country or U.S. possession ▶			
	c Total gross income from sources outside the United States (attach schedule)	15c	Form 1116, Part I	
	d Total applicable deductions and losses (attach schedule)	15d		
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	Form 1116, Part II	
	f Reduction in taxes available for credit (attach schedule)	15f	Form 1116, Part III	
	g Other foreign tax information (attach schedule)	15g	See Instructions for Form 1116	
Other	16 Section 59(e)(2) expenditures: a Type ▶		See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	b Amount	16b		
	17 Tax-exempt interest income	17	Form 1040, line 8b	
	18 Other tax-exempt income	18	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	19 Nondeductible expenses SEE STATEMENT	19		548.
	20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	20		
	21 Amount of loan repayments for "Loans From Shareholders"	21		
	22 Recapture of low-income housing credit:		Form 8611, line 8	
	a From section 42(j)(5) partnerships	22a		
	b Other than on line 22a	22b		
23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):				
YOUR DEDUCTION OF LOSSES ARE				
LIMITED TO YOUR BASIS				
CONSULT YOUR TAX ADVISOR.				

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	548.	SEE FORM 1040 INSTRUCTIONS
TOTAL TO SCHEDULE K-1, LINE 19	548.	

Form 1120S Department of the Treasury Internal Revenue Service	U.S. Income Tax Return for an S Corporation ▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.	OMB No. 1545-0130 <div style="font-size: 2em; font-weight: bold;">1997</div>
For calendar year 1997, or tax year beginning _____, and ending _____		
A Date of election as an S corporation <div style="border: 1px solid black; padding: 2px;">04/04/1994</div>	Use IRS label. Otherwise, please print or type. Name US MOBILCOMM INC. (FORMERLY US MOBILCOMM MANAGEMENT CORP) Number, street, and room or suite no. (If a P.O. box, see page 9 of the instructions.) 805 BRYN MAWR AVE City or town, state, and ZIP code NEWTOWN SQUARE, PA 19073	C Employer identification number <div style="border: 1px solid black; padding: 2px;">23-2767067</div> D Date incorporated <div style="border: 1px solid black; padding: 2px;">04/04/1994</div> E Total assets (see Specific Instructions) <div style="border: 1px solid black; padding: 2px;">\$ 652,664.</div>
B Business code no. (see Specific Instructions) <div style="border: 1px solid black; padding: 2px;">4825</div>		
F Check applicable boxes: (1) <input type="checkbox"/> Initial return (2) <input type="checkbox"/> Final return (3) <input type="checkbox"/> Change in address (4) <input type="checkbox"/> Amended return		
G Enter number of shareholders in the corporation at end of the tax year: 2		
Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.		
Income	1 a Gross receipts or sales <div style="border: 1px solid black; padding: 2px;">116,206</div> 2 Cost of goods sold (Schedule A, line 8) 3 Gross profit. Subtract line 2 from line 1c 4 Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797) 5 Other income (loss) (attach schedule) <div style="border: 1px solid black; padding: 2px;">STATEMENT 2</div> 6 Total income (loss). Combine lines 3 through 5	1c <div style="border: 1px solid black; padding: 2px;">116,206.</div> 2 <div style="border: 1px solid black; padding: 2px;">139,545.</div> 3 <div style="border: 1px solid black; padding: 2px;">-23,339.</div> 4 5 <div style="border: 1px solid black; padding: 2px;">193.</div> 6 <div style="border: 1px solid black; padding: 2px;">-23,146.</div>
Deductions (See instructions for limitations)	7 Compensation of officers <div style="border: 1px solid black; padding: 2px;">STATEMENT 3</div> 8 Salaries and wages (less employment credits) 9 Repairs and maintenance 10 Bad debts 11 Rents 12 Taxes and licenses <div style="border: 1px solid black; padding: 2px;">STATEMENT 4</div> 13 Interest 14 a Depreciation (if required, attach Form 4562) <div style="border: 1px solid black; padding: 2px;">14a 25,370.</div> b Depreciation claimed on Schedule A and elsewhere on return <div style="border: 1px solid black; padding: 2px;">14b</div> c Subtract line 14b from line 14a 15 Depletion (Do not deduct oil and gas depletion.) 16 Advertising 17 Pension, profit-sharing, etc., plans 18 Employee benefit programs 19 Other deductions (attach schedule) <div style="border: 1px solid black; padding: 2px;">STATEMENT 5</div> 20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19 21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6	7 8 9 <div style="border: 1px solid black; padding: 2px;">121.</div> 10 11 12 <div style="border: 1px solid black; padding: 2px;">558.</div> 13 <div style="border: 1px solid black; padding: 2px;">15,574.</div> 14c <div style="border: 1px solid black; padding: 2px;">25,370.</div> 15 16 17 18 19 <div style="border: 1px solid black; padding: 2px;">61,048.</div> 20 <div style="border: 1px solid black; padding: 2px;">102,671.</div> 21 <div style="border: 1px solid black; padding: 2px;">-125,817.</div>
Tax and Payments	22 Tax: a Excess net passive income tax (attach schedule) <div style="border: 1px solid black; padding: 2px;">22a</div> b Tax from Schedule D (Form 1120S) <div style="border: 1px solid black; padding: 2px;">22b</div> c Add lines 22a and 22b 23 Payments: a 1997 estimated tax payments and amount applied from 1996 return <div style="border: 1px solid black; padding: 2px;">23a</div> b Tax deposited with Form 7004 <div style="border: 1px solid black; padding: 2px;">23b</div> c Credit for Federal tax paid on fuels (attach Form 4136) <div style="border: 1px solid black; padding: 2px;">23c</div> d Add lines 23a through 23c 24 Estimated tax penalty. Check if Form 2220 is attached <input type="checkbox"/> 25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See instructions for depository method of payment 26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid 27 Enter amount of line 26 you want: Credited to 1998 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	22c 23d 24 25 26 27

EXHIBIT
 tabbies

PX 4

Please Sign Here	Signature of officer _____ Date _____ Title _____	
Paid Preparer's Use Only	Preparer's signature _____ Date _____ Firm's name (or yours if self-employed) and address COGEN SKLAR LLP 150 MONUMENT RD - SUITE 500 BALA CYNWYD, PA	Check if self-employed <input type="checkbox"/> Preparer's social security number <div style="border: 1px solid black; padding: 2px;">168 40 6941</div> E.I. No. <div style="border: 1px solid black; padding: 2px;">23 1406493</div> ZIP code <div style="border: 1px solid black; padding: 2px;">19004</div>

Form **7004**

(Rev. July 1997)

Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File Corporation Income Tax Return**

OMB No. 1545-0233

Name of corporation

US MOBILCOMM INC.
(FORMERLY US MOBILCOMM MANAGEMENT CORP)

Employer identification number

23-2767067

Number, street, and room or suite no. (if a P.O. box or outside the United States, see instructions)

805 BRYN MAWR AVE

City or town, state, and ZIP code

NEWTOWN SQUARE, PA 19073

Check type of return to be filed:

<input type="checkbox"/> Form 1120	<input type="checkbox"/> Form 1120-FSC	<input type="checkbox"/> Form 1120-ND	<input type="checkbox"/> Form 1120-REIT	<input type="checkbox"/> Form 1120-SF
<input type="checkbox"/> Form 1120-A	<input type="checkbox"/> Form 1120-H	<input type="checkbox"/> Form 1120-PC	<input type="checkbox"/> Form 1120-RIC	<input type="checkbox"/> Form 990-C
<input type="checkbox"/> Form 1120-F	<input type="checkbox"/> Form 1120-L	<input type="checkbox"/> Form 1120-POL	<input checked="" type="checkbox"/> Form 1120S	<input type="checkbox"/> Form 990-T

Form 1120-F filers: Check here if you do not have an office or place of business in the United States

☐

1a I request an automatic 6-month (or, for certain foreign corporations, 3-month) extension of time

until SEPTEMBER 15, 1998, to file the income tax return of the corporation named above for ☒ calendaryear 19 97 or ☐ tax year beginning _____, 19 ____, and ending _____, 19 ____.

b If this tax year is for less than 12 months, check reason:

☐ Initial return ☐ Final return ☐ Change in accounting period ☐ Consolidated return to be filed

2 If this application also covers subsidiaries to be included in a consolidated return, complete the following:

Name and address of each member of the affiliated group	Employer identification number	Tax period

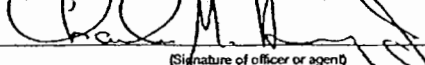
3 Tentative tax 3 0.

4 Credits:

a Overpayment credited from prior year	4a	
b Estimated tax payments for the tax year	4b	
c Less refund for the tax year applied for on Form 4466	4c	
d Credit from regulated investment companies	4d	
e Credit for Federal tax on fuels	4e	4f

5 Total. Add lines 4d through 4f 5 0.6 Balance due. Subtract line 5 from line 3. Deposit this amount electronically or with a Federal Tax Deposit (FTD) Coupon 6 0.

Signature Under penalties of perjury, I declare that I have been authorized by the above-named corporation to make this application, and to the best of my knowledge and belief, the statements made are true, correct, and complete.



(Signature of officer or agent)

CPA

(Title)

3/9/98

(Date)

JWA For Paperwork Reduction Act Notice, see Instructions.

Form 7004 (Rev. 7-97)

MC000469

Form 1120S (1997)

US MOBILCOMM INC. (FORMERLY US MOBILCOMM

23-2767067 Page 2

Schedule A Cost of Goods Sold

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	SEE STATEMENT 6 139,545.
6	Total: Add lines 1 through 5	6	139,545.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	139,545.

9a Check all methods used for valuing closing inventory:

- (i) ☐ Cost as described in Regulations section 1.471-3
 (ii) ☐ Lower of cost or market as described in Regulations section 1.471-4
 (iii) ☐ Other (specify method used and attach explanation) ▶

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) ▶ ☐**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐**d** If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO

9d

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ☐ Yes ☒ No**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No

If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) ▶		
2 Refer to the list on page 23 of the instructions and state the corporation's principal: (a) Business activity ▶ TWO WAY RADIO (b) Product or service ▶ SERVICE		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1997, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 14 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) If "Yes," enter the name of the foreign country ▶		X
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file Form 3520 or 926. See page 14 of the instructions		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter ▶ <input type="checkbox"/>		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments. ▶ <input type="checkbox"/>		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years ▶ \$		
10 Check this box if the corporation had accumulated earnings and profits at the close of the tax year ▶ <input checked="" type="checkbox"/>		

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040 US MOBILCOMM INC. (FORMERLY US 014870_1

Form 1120S (1997) US MOBILCOMM INC. (FORMERLY US MOBILCOMM 23-2767067 Page 3

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

		(a) Pro rata share items	(b) Total amount
Income (Loss)	1	Ordinary income (loss) from trade or business activities (page 1, line 21)	1 -125,817.
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a	Gross income from other rental activities	3a
	3b	Expenses from other rental activities (attach schedule)	3b
	3c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4	Portfolio income (loss):	
	4a	Interest income STATEMENT 7	4a 473.
	4b	Dividend income	4b
	4c	Royalty income	4c
	4d	Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	4d
Deductions	5	Net long-term capital gain (loss) (attach Schedule D (Form 1120S)):	
	5a	(1) 28% rate gain (loss) (2) Total for year (2)	5a(2)
	5b	Other portfolio income (loss) (attach schedule)	5b
	6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797):	6
	6a	28% rate gain (loss) b Total for year	6a
	6b	Other income (loss) (attach schedule)	6b
	7	Charitable contributions (attach schedule)	7
	8	Section 179 expense deduction (attach Form 4562)	8
	9	Deductions related to portfolio income (loss) (itemize)	9
	10	Other deductions (attach schedule)	10
Investment Interest	11a	Interest expense on investment debts	11a
	11b(1)	(1) Investment income included on lines 4a, 4b, 4c, and 4f above	11b(1) 473.
Credits	11b(2)	(2) Investment expenses included on line 9 above	11b(2)
	12a	Credit for alcohol used as a fuel (attach Form 6478)	12a
	12b(1)	b Low-income housing credit:	12b(1)
	12b(2)	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12b(2)
	12b(3)	(2) Other than on line 12b(1) for property placed in service before 1990	12b(3)
	12b(4)	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12b(4)
	12c	(4) Other than on line 12b(3) for property placed in service after 1989	12c
	12d	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12d
	12e	Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12e
	13	Credits related to other rental activities	13
Adjustments and Tax Preference Items	14a	Other credits	14a
	14b	Depreciation adjustment on property placed in service after 1986	14b 5,098.
	14c	Adjusted gain or loss	14c
	14d(1)	c Depletion (other than oil and gas)	14d(1)
	14d(2)	d (1) Gross income from oil, gas, or geothermal properties	14d(2)
Foreign Taxes	14e	(2) Deductions allocable to oil, gas, or geothermal properties	14e
	15a	e Other adjustments and tax preference items (attach schedule)	15a
	15b	15a Type of income	15b
	15c	b Name of foreign country or U.S. possession	15c
	15d	c Total gross income from sources outside the United States (attach schedule)	15d
	15e	d Total applicable deductions and losses (attach schedule)	15e
	15f	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15f
Other	15g	f Reduction in taxes available for credit (attach schedule)	15g
	16	g Other foreign tax information (attach schedule)	16
	16a	16 Section 59(e)(2) expenditures: a Type	16a
	16b	b Amount	16b
	17	17 Tax-exempt interest income	17
	18	18 Other tax-exempt income	18
	19	19 Nondeductible expenses STATEMENT 8	19 204.
	20	20 Total property distributions (including cash) other than dividends reported on line 22 below	20
	21	21 Other items and amounts required to be reported separately to shareholders (attach schedule) STATEMENT 9	21
	22	22 Total dividend distributions paid from accumulated earnings and profits	22
	23	23 Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16b	23 -125,344.

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Form 1120S (1997) US MOBILCOMM INC. (FORMERLY US MOBILCOMM) 23-2767067 Page 4

Schedule L Balance Sheets		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		33,252.		11,687.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets STMT 12		71,107.		60,800.
7	Loans to shareholders		20,500.		20,500.
8	Mortgage and real estate loans				
9	Other investments				
10 a	Buildings and other depreciable assets	133,370.		132,275.	
b	Less accumulated depreciation	68,849.	64,521.	94,220.	38,055.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	28,500.		28,500.	
b	Less accumulated amortization	5,231.	23,269.	7,398.	21,102.
14	Other assets STMT 13		500,520.		500,520.
15	Total assets		713,169.		652,664.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year		405,439.		405,404.
18	Other current liabilities STMT 14		1,175.		1,256.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities				
22	Capital stock		5.		5.
23	Additional paid-in capital		966,594.		1,031,591.
24	Retained earnings STMT 15		-660,044.		-785,592.
25	Adjustments to shareholders' equity				
26	Less cost of treasury stock		()		()
27	Total liabilities and shareholders' equity		713,169.		652,664.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

1	Net income (loss) per books	-125,548.	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16b (itemize):		6	Deductions included on Schedule K, lines 1 through 11a, 15e, and 16b, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$	204.			
		204.	7	Add lines 5 and 6	
4	Add lines 1 through 3	-125,344.	8	Income (loss) [Schedule K, line 23; Line 4 less line 7]	-125,344.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	-598,427.	
2	Ordinary income from page 1, line 21		
3	Other additions STMT 10	473.	
4	Loss from page 1, line 21	(125,817.)	
5	Other reductions STMT 11	(204.)	
6	Combine lines 1 through 5	-723,975.	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	-723,975.	

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040 US MOBILCOMM INC. (FORMERLY US 014870_1

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Form 4562 Department of the Treasury Internal Revenue Service	Depreciation and Amortization (Including Information on Listed Property) OTHER ▶ Attach this form to your return.	OMB No. 1545-0172 1997 Attachment Sequence No. 67
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Name(s) shown on return US MOBILCOMM INC. (FORMERLY US MOBILCOMM MANAGEMENT CORP)	Business or activity to which this form relates OTHER DEPRECIATION	Identifying number 23-2767067
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Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

1 Maximum dollar limitation. If an enterprise zone business, see instructions	1	18,000.
2 Total cost of section 179 property placed in service	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost	

7 Listed property. Enter amount from line 27	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from 1996	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 1998. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1997 Tax Year (Do Not Include Listed Property.)
Section A - General Asset Account Election

14 If you are making the election under section 168(f)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions	<input type="checkbox"/>
---	--------------------------

Section B - General Depreciation System (GDS) (See instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15 a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		27.5 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Alternative Depreciation System (ADS) (See instructions.)

16 a Class life	/	12 yrs.	MM	S/L	
b 12-year		12 yrs.		S/L	
c 40-year	/	40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property.) (See instructions.)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1997	17	25,370.
18 Property subject to section 168(f)(1) election	18	
19 ACRS and other depreciation	19	

Part IV Summary (See instructions.)

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	25,370.
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 4562 (1997)

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Form 4562 (1997) **US MOBILCOMM INC. (FORMERLY US MOBILCOMM)** 23-2767067 Page 2

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement
 Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limits for passenger automobiles.)23a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No 23b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

24 Property used more than 50% in a qualified business use:

	:	:	%					
	:	:	%					
	:	:	%					
	:	:	%					

25 Property used 50% or less in a qualified business use:

	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		

26 Add amounts in column (h). Enter the total here and on line 20, page 1

26

27 Add amounts in column (i). Enter the total here and on line 7, page 1

27

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
28 Total business/investment miles driven during the year (DO NOT include commuting miles)												
29 Total commuting miles driven during the year ...												
30 Total other personal (noncommuting) miles driven.....												
31 Total miles driven during the year. Add lines 28 through 30												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1997 tax year:					
	:	:			
	:	:			
41 Amortization of costs that began before 1997				41	2,167.
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				42	2,167.

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040 US MOBILCOMM INC. (FORMERLY US 014870_1

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

FOOTNOTES

STATEMENT 1

RECONCILIATION OF ACCUMULATED ADJUSTMENTS ACCOUNT
TO RETAINED EARNINGS:

C CORPORATION EARNINGS AND PROFIT 61,617.

ACCUMULATED ADJUSTMENTS ACCOUNT 723,975.

BOOK RETAINED EARNINGS 785,592.

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US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

FORM 1120S	OTHER INCOME	STATEMENT	2
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DESCRIPTION	AMOUNT
MISCELLANEOUS INCOME	193.
TOTAL TO FORM 1120S, PAGE 1, LINE 5	193.

FORM 1120S	COMPENSATION OF OFFICERS	STATEMENT	3
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(A) NAME OF OFFICER	(B) SOCIAL SECURITY NUMBER	(C) TIME DEVOTED TO BUSINESS	PCT OF STK	(F) AMOUNT OF COMPENSATION
DAVID ELKIN	043-50-6463	FULL	75.00%	0.
TOTAL COMPENSATION OF OFFICERS				0.
LESS: COMPENSATION CLAIMED ELSEWHERE				
TOTAL TO FORM 1120S, PAGE 1, LINE 7				

FORM 1120S	TAXES AND LICENSES	STATEMENT	4
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DESCRIPTION	AMOUNT
DELAWARE FRANCHISE TAX	50.
PENNSYLVANIA CAPITAL STOCK TAX	150.
NEW YORK FRANCHISE TAX	333.
WASHINGTON DC FRANCHISE TAX	25.
TOTAL TO FORM 1120S, PAGE 1, LINE 12	558.

FORM 1120S	OTHER DEDUCTIONS	STATEMENT	5
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DESCRIPTION	AMOUNT
DUES AND SEMINARS	920.
INSURANCE	1,557.
OFFICE SUPPLIES	1,909.
POSTAGE & FEDERAL EXPRESS	952.
HQ - TELEPHONE	4,267.
TRAVEL	3,527.
PROFESSIONAL FEES - ACCOUNTING	42,984.

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US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

PROFESSIONAL FEES - LEGAL	2,395.
PROFESSIONAL FEES - OTHER	165.
MEALS AND ENTERTAINMENT	205.
AMORTIZATION EXPENSE	2,167.
TOTAL TO FORM 1120S, PAGE 1, LINE 19	61,048.

FORM 1120S COST OF GOODS SOLD - OTHER COSTS STATEMENT 6

DESCRIPTION	AMOUNT
SITE RENT EXPENSE	139,545.
TOTAL TO FORM 1120S, PAGE 2, LINE 5	139,545.

SCHEDULE K INTEREST INCOME STATEMENT 7

DESCRIPTION	US	OTHER
CORESTATES BANK	0.	473.
TOTAL TO SCHEDULE K, LINE 4A	0.	473.

SCHEDULE K NONDEDUCTIBLE EXPENSES STATEMENT 8

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	204.
TOTAL TO SCHEDULE K, LINE 19	204.

SCHEDULE K OTHER ITEMS, LINE 21 STATEMENT 9

DESCRIPTION	AMOUNT
YOUR DEDUCTION OF LOSSES ARE LIMITED TO YOUR BASIS CONSULT YOUR TAX ADVISOR.	

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US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT - OTHER ADDITIONS STATEMENT 10

DESCRIPTION	AMOUNT
INTEREST INCOME	473.
TOTAL TO SCHEDULE M-2, LINE 3 - COLUMN (A)	473.

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT- OTHER REDUCTIONS STATEMENT 11

DESCRIPTION	AMOUNT
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	204.
TOTAL TO SCHEDULE M-2, LINE 5 - COLUMN (A)	204.

SCHEDULE L OTHER CURRENT ASSETS STATEMENT 12

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
OTHER RECEIVABLES	10,307.	
EQUIPMENT PARTS	9,000.	9,000.
LICENSE OPTION PAYMENTS	51,200.	51,200.
DEPOSITS	600.	600.
TOTAL TO SCHEDULE L, LINE 6	71,107.	60,800.

SCHEDULE L OTHER ASSETS STATEMENT 13

DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
CONSTRUCTION IN PROGRESS	500,520.	500,520.
TOTAL TO SCHEDULE L, LINE 14	500,520.	500,520.

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US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 14
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DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
SALES TAX PAYABLE	1,175.	1,256.
TOTAL TO SCHEDULE L, LINE 18	1,175.	1,256.

SCHEDULE L	ANALYSIS OF TOTAL RETAINED EARNINGS PER BOOKS	STATEMENT 15
------------	---	--------------

DESCRIPTION	AMOUNT
BALANCE AT BEGINNING OF YEAR - SCHEDULE L, LINE 24, COLUMN (B)	-660,044.
NET INCOME PER BOOKS - SCHEDULE M-1, LINE 1	-125,548.
DISTRIBUTIONS	0.
OTHER INCREASES (DECREASES)	
BALANCE AT END OF YEAR - SCHEDULE L, LINE 24, COLUMN (D)	-785,592.

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SCHEDULE K-1
(Form 1120S)Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 1997 or tax year

OMB No. 1545-0130

1997

beginning	and ending
Shareholder's identifying number ▶ 043-50-6463	Corporation's identifying number ▶ 23-2767067
Shareholder's name, address, and ZIP code	Corporation's name, address, and ZIP code
DAVID ELKIN 805 BRYN MAWR AVE NEWTOWN SQUARE PA 19073	US MOBILCOMM INC. (FORMERLY US MOBILCOMM MANAGEMENT CORP 805 BRYN MAWR AVE NEWTOWN SQUARE, PA 19073
A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) ▶ 75.000000%	
B Internal Revenue Service Center where corporation filed its return ▶ PHILADELPHIA, PA	
C Tax shelter registration number (see Instructions for Schedule K-1) ▶	
D Check applicable boxes: (1) <input type="checkbox"/> Final K-1 (2) <input type="checkbox"/> Amended K-1	

	(a) Pro rata share items	(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:	
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 -94,363.	See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	2 Net income (loss) from rental real estate activities	2		
	3 Net income (loss) from other rental activities	3		
	4 Portfolio income (loss):			
	a Interest	4a 355.	Sch. B, Part I, line 1	
	b Dividends	4b	Sch. B, Part II, line 5	
	c Royalties	4c	Sch. E, Part I, line 4	
	d Net short-term capital gain (loss)	4d	Sch. D, line 5, col. (f)	
	e Net long-term capital gain (loss):			
	(1) 28% rate gain (loss)	e(1)	Sch. D, line 12, col. (g)	
(2) Total for year	e(2)	Sch. D, line 12, col. (f)		
f Other portfolio income (loss) (attach schedule)	4f	(Enter on applicable line of your return.)		
5 Net section 1231 gain (loss) (other than due to casualty or theft):			See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
a 28% rate gain (loss)	5a			
b Total for year	5b			
6 Other income (loss) (attach schedule)	6	(Enter on applicable line of your return.)		
Deductions	7 Charitable contributions (attach schedule)	7	Sch. A, line 15 or 16	
	8 Section 179 expense deduction	8	See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	9 Deductions related to portfolio income (loss) (attach schedule)	9		
	10 Other deductions (attach schedule)	10		
Investment Interest	11a Interest expense on investment debts	11a	Form 4952, line 1	
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	b(1) 355.	See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
(2) Investment expenses included on line 9 above	b(2)			
Credits	12a Credit for alcohol used as fuel	12a	Form 6478, line 10	
	b Low-income housing credit:		Form 8586, line 5	
	(1) From section 42(j)(5) partnerships for property placed in service before 1990	b(1)		
	(2) Other than on line 12b(1) for property placed in service before 1990	b(2)		
	(3) From section 42(j)(5) partnerships for property placed in service after 1989	b(3)		
	(4) Other than on line 12b(3) for property placed in service after 1989	b(4)		
	c Qualified rehabilitation expenditures related to rental real estate activities	12c	See pages 6 and 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).	
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d		
	e Credits related to other rental activities	12e		
	13 Other credits	13		

JWA For Paperwork Reduction Act Notice, see the Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1997

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SHAREHOLDER NUMBER 1
040 US MOBILCOMM INC. (FORMERLY US 014870_1

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2707007

Schedule K-1 (Form 1120S) (1997)

Page 2

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:
Adjustments and Tax Preference Items	14 a Depreciation adjustment on property placed in service after 1986	14a 3,824.	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251
	b Adjusted gain or loss	14b	
	c Depletion (other than oil and gas)	14c	
	d (1) Gross income from oil, gas, or geothermal properties	d(1)	
	(2) Deductions allocable to oil, gas, or geothermal properties	d(2)	
	e Other adjustments and tax preference items (attach schedule)	14e	
Foreign Taxes	15 a Type of Income		Form 1116, Check boxes
	b Name of foreign country or U.S. possession		Form 1116, Part I
	c Total gross income from sources outside the United States (attach schedule)	15c	
	d Total applicable deductions and losses (attach schedule)	15d	Form 1116, Part II Form 1116, Part III See Instructions for Form 1116
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	
	f Reduction in taxes available for credit (attach schedule)	15f	
		g Other foreign tax information (attach schedule)	15g
Other	16 Section 59(e)(2) expenditures: a Type		See Shareholder's Instructions for Schedule K-1 (Form 1120S).
	b Amount	16b	Form 1040, line 8b
	17 Tax-exempt interest income	17	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	18 Other tax-exempt income	18	
	19 Nondeductible expenses SEE STATEMENT	19 153.	
	20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	20	
	21 Amount of loan repayments for "Loans From Shareholders"	21	Form 8611, line 8
	22 Recapture of low-income housing credit:		
a From section 42(j)(5) partnerships	22a		
	b Other than on line 22a	22b	
Supplemental Information	23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):		

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	153.	SEE FORM 1040 INSTRUCTIONS
TOTAL TO SCHEDULE K-1, LINE 19	153.	

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09000312 784285 014870

16
040 US MOBILCOMM INC. (FORMERLY US 014870_1 Shareholder 1

SCHEDULE K-1
(Form 1120S)Department of the Treasury
Internal Revenue Service**Shareholder's Share of Income, Credits, Deductions, etc.**

▶ See separate instructions.

For calendar year 1997 or tax year

OMB No. 1545-0130

1997

beginning

and ending

Shareholder's identifying number ▶ 042-54-2612

Corporation's identifying number ▶ 23-2767067

Shareholder's name, address, and ZIP code

Corporation's name, address, and ZIP code

JEFFREY NORMAN
1824 STORRS ROAD
STORRS CT 06268US MOBILCOMM INC.
(FORMERLY US MOBILCOMM MANAGEMENT CORP
805 BRYN MAWR AVE
NEWTOWN SQUARE, PA 19073

A Shareholder's percentage of stock ownership for tax year (see Instructions for Schedule K-1) ▶ 25.000000%

B Internal Revenue Service Center where corporation filed its return ▶ PHILADELPHIA, PA

C Tax shelter registration number (see Instructions for Schedule K-1) ▶

D Check applicable boxes: (1) ☐ Final K-1 (2) ☐ Amended K-1

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activities	1 -31,454.	See pages 4 and 5 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	2 Net income (loss) from rental real estate activities	2	
	3 Net income (loss) from other rental activities	3	
	4 Portfolio income (loss):		
	a Interest	4a 118.	Sch. B, Part I, line 1
	b Dividends	4b	Sch. B, Part II, line 5
	c Royalties	4c	Sch. E, Part I, line 4
	d Net short-term capital gain (loss)	4d	Sch. D, line 5, col. (f)
	e Net long-term capital gain (loss):		
	(1) 28% rate gain (loss)	e(1)	Sch. D, line 12, col. (g)
(2) Total for year	e(2)	Sch. D, line 12, col. (f)	
f Other portfolio income (loss) (attach schedule)	4f	(Enter on applicable line of your return.)	
5 Net section 1231 gain (loss) (other than due to casualty or theft):			
a 28% rate gain (loss)	5a	See Shareholder's Instructions for Schedule K-1 (Form 1120S).	
b Total for year	5b		
6 Other income (loss) (attach schedule)	6	(Enter on applicable line of your return.)	
Deductions	7 Charitable contributions (attach schedule)	7	Sch. A, line 15 or 16
	8 Section 179 expense deduction	8	See page 6 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	9 Deductions related to portfolio income (loss) (attach schedule)	9	
	10 Other deductions (attach schedule)	10	
Investment Interest	11a Interest expense on investment debts	11a	Form 4952, line 1
	b (1) Investment income included on lines 4a, 4b, 4c, and 4f above	b(1) 118.	See Shareholder's Instructions for Schedule K-1 (Form 1120S).
(2) Investment expenses included on line 9 above	b(2)		
Credits	12a Credit for alcohol used as fuel	12a	Form 6478, line 10
	b Low-income housing credit:		Form 8586, line 5
	(1) From section 42(j)(5) partnerships for property placed in service before 1990	b(1)	
	(2) Other than on line 12b(1) for property placed in service before 1990	b(2)	
	(3) From section 42(j)(5) partnerships for property placed in service after 1989	b(3)	
	(4) Other than on line 12b(3) for property placed in service after 1989	b(4)	
	c Qualified rehabilitation expenditures related to rental real estate activities	12c	See pages 6 and 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d	
	e Credits related to other rental activities	12e	
	13 Other credits	13	

JWA For Paperwork Reduction Act Notice, see the Instructions for Form 1120S.

Schedule K-1 (Form 1120S) 1997

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11-26-97

09000312 784285 014870

17

SHAREHOLDER NUMBER 2
040 US MOBILCOMM INC. (FORMERLY US 014870_1

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2101061

Schedule K-1 (Form 1120S) (1997)

Page 2

(a) Pro rata share items		(b) Amount	(c) Form 1040 filers enter the amount in column (b) on:
Adjustments and Tax Preference Items	14 a Depreciation adjustment on property placed in service after 1986	14a 1,274.	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S) and Instructions for Form 6251
	b Adjusted gain or loss	14b	
	c Depletion (other than oil and gas)	14c	
	d (1) Gross income from oil, gas, or geothermal properties	d(1)	
	(2) Deductions allocable to oil, gas, or geothermal properties	d(2)	
	e Other adjustments and tax preference items (attach schedule)	14e	
Foreign Taxes	15 a Type of income		Form 1116, Check boxes
	b Name of foreign country or U.S. possession		Form 1116, Part I
	c Total gross income from sources outside the United States (attach schedule)	15c	
	d Total applicable deductions and losses (attach schedule)	15d	Form 1116, Part II
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e	
	f Reduction in taxes available for credit (attach schedule)	15f	Form 1116, Part III
	g Other foreign tax information (attach schedule)	15g	See Instructions for Form 1116
Other	16 Section 59(e)(2) expenditures: a Type		See Shareholder's Instructions for Schedule K-1 (Form 1120S).
	b Amount	16b	Form 1040, line 8b
	17 Tax-exempt interest income	17	See page 7 of the Shareholder's Instructions for Schedule K-1 (Form 1120S).
	18 Other tax-exempt income	18	
	19 Nondeductible expenses SEE STATEMENT	19 51.	
	20 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	20	
	21 Amount of loan repayments for "Loans From Shareholders"	21	Form 8611, line 8
	22 Recapture of low-income housing credit:		
a From section 42(j)(5) partnerships	22a		
	b Other than on line 22a	22b	
Supplemental Information	23 Supplemental information required to be reported separately to each shareholder (attach additional schedules if more space is needed):		
	YOUR DEDUCTION OF LOSSES ARE		
	LIMITED TO YOUR BASIS		
	CONSULT YOUR TAX ADVISOR.		

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11-24-97

18

SHAREHOLDER NUMBER 2

09000312 784285 014870

040 US MOBILCOMM INC. (FORMERLY US 014870_1

US MOBILCOMM INC. (FORMERLY US MOBILCOMM)

23-2767067

SCHEDULE K-1

NONDEDUCTIBLE EXPENSES

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
EXCLUDED MEALS AND ENTERTAINMENT EXPENSES	51.	SEE FORM 1040 INSTRUCTIONS
TOTAL TO SCHEDULE K-1, LINE 19	51.	

MC000485

Form **1120S** **U.S. Income Tax Return for an S Corporation** OMB No. 1545-0130
 Department of the Treasury
 Internal Revenue Service
 ▶ Do not file this form unless the corporation has timely filed Form 2553 to elect to be an S corporation.
 ▶ See separate instructions.

1998

For calendar year 1998, or tax year beginning _____, and ending _____

A Effective date of election as an S corporation 04/04/94	Use IRS label. Otherwise, please print or type.	Name US MOBILCOMM, INC.	C Employer identification number 23-2767067
		Number, street, and room or suite no. (If a P.O. box, see page 10 of the instructions.) 805 BRYN MAWR AVE	D Date incorporated 04041994
B NEW bus. code no. (see pages 26-28) 513000		City or town, state, and ZIP code NEWTOWN SQUARE, PA 19073-4330	E Total assets (see page 10) 635,412.

F Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change in address (4) ☐ Amended returnG Enter number of shareholders in the corporation at end of the tax year **2****Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.**

Income	1a Gross receipts or sales	106,501.	b Less returns and allowances		c Bal	106,501.
	2 Cost of goods sold (Schedule A, line 8)					99,735.
	3 Gross profit. Subtract line 2 from line 1c					6,766.
	4 Net gain (loss) from Form 4797, Part II, line 18 (attach Form 4797)					84.
	5 Other income (loss) (attach schedule)					6,850.
	6 Total income (loss). Combine lines 3 through 5					
Deductions (see page 11 of the instructions for limitations)	7 Compensation of officers					
	8 Salaries and wages (less employment credits)					
	9 Repairs and maintenance					
	10 Bad debts					
	11 Rents					
	12 Taxes and licenses	SEE STATEMENT 1				500.
	13 Interest					10,407.
	14a Depreciation (if required, attach Form 4562)	17,906.	14b Depreciation claimed on Schedule A and elsewhere on return			
	c Subtract line 14b from line 14a					17,906.
	15 Depletion (Do not deduct oil and gas depletion.)					
Tax and Payments	16 Advertising					
	17 Pension, profit-sharing, etc., plans					
	18 Employee benefit programs					
	19 Other deductions (attach schedule)	SEE STATEMENT 1				54,174.
	20 Total deductions. Add the amounts shown in the far right column for lines 7 through 19					82,987.
	21 Ordinary income (loss) from trade or business activities. Subtract line 20 from line 6					-76,137.
	22 Tax: a Excess net passive income tax (attach schedule)	22a				
b Tax from Schedule D (Form 1120S)	22b					
c Add lines 22a and 22b (see page 14 of the instructions for additional taxes)						
23 Payments: a 1998 estimated tax payments and amount applied from 1997 return	23a					
b Tax deposited with Form 7004	23b					
c Credit for Federal tax paid on fuels (attach Form 4136)	23c					
d Add lines 23a through 23c						
24 Estimated tax penalty. Check if Form 2220 is attached						
25 Tax due. If the total of lines 22c and 24 is larger than line 23d, enter amount owed. See page 4 of the instructions for depository method of payment						
26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid						
27 Enter amount of line 26 you want: Credited to 1999 estimated tax						

EXHIBIT**PX 5****Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ Title _____

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security number
Firm's name (or yours if self-employed) and address	EIN	ZIP code	

For Paperwork Reduction Act Notice, see the separate instructions.

Form 1120S (1998)

MC000486

Form 1120S (1998) US MOBILCOMM, INC.

23-2767067 Page 2

Schedule A Cost of Goods Sold (see page 15 of the instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	99,735.
6	Total. Add lines 1 through 5	6	99,735.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	99,735.

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost as described in Regulations section 1.471-3

(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4

(iii) ☐ Other (specify method used and attach explanation) _____

b Check if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c) _____

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) _____

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO _____ 9d _____

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? Yes ☒ No ☐

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? Yes ☐ No ☒

If "Yes," attach explanation.

Schedule B Other Information

	Yes	No
1 Check method of accounting: (a) <input checked="" type="checkbox"/> Cash (b) <input type="checkbox"/> Accrual (c) <input type="checkbox"/> Other (specify) _____		
2 Refer to the list on pages 26 through 28 of the instructions and state the corporation's principal: (a) Business activity TWO WAY RADIO (b) Product or service SERVICE		
3 Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name, address, and employer identification number and (b) percentage owned		X
4 Was the corporation a member of a controlled group subject to the provisions of section 1561?		X
5 At any time during calendar year 1998, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 15 of the instructions for exceptions and filing requirements for Form TD F 90-22.1.) If "Yes," enter the name of the foreign country _____		X
6 During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the corporation may have to file Form 3520. See page 15 of the instructions.		X
7 Check this box if the corporation has filed or is required to file Form 8264, Application for Registration of a Tax Shelter _____		
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount _____ If so, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
9 If the corporation: (a) filed its election to be an S corporation after 1986, (b) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to its basis (or the basis of any other property) in the hands of a C corporation, and (c) has net unrealized built-in gain (defined in section 1374(d)(1)) in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see page 16 of the instructions) _____		
10 Check this box if the corporation had accumulated earnings and profits at the close of the tax year (see page 16 of the instructions) _____		X

MC000487

Form **7004**

(Rev. July 1998)

Department of the Treasury
Internal Revenue Service**Application for Automatic Extension of Time
To File Corporation Income Tax Return**

OMB No. 1545-0233

Name of corporation

US MOBILCOMM, INC

Employer identification number

23 2767067

Number, street, and room or suite no. (If a P.O. box or outside the United States, see instructions.)

805 BRYN MAWR AVE

City or town, state, and ZIP code

NEWTOWN SQUARE, PA 19073-4330

Check type of return to be filed:

- ☐ Form 1120 ☐ Form 1120-FSC ☐ Form 1120-ND ☐ Form 1120-REIT ☐ Form 1120-SF
☐ Form 1120-A ☐ Form 1120-H ☐ Form 1120-PC ☐ Form 1120-RIC
☐ Form 1120-F ☐ Form 1120-L ☐ Form 1120-POL ☒ Form 1120S

☐ Form 990-C☐ Form 990-T**Note:** Other 990 filers (i.e., Form 990, 990-EZ, 990-BL, 990-PF, and certain filers of Form 990-T (see instructions)) **must** use Form 2758 to request an extension of time to file.**Form 1120-F filers:** Check here if you do not have an office or place of business in the United States ☐**1a** I request an automatic 6-month (or, for certain corporations, 3-month) extension of timeuntil SEPTEMBER 15, 1999, to file the income tax return of the corporation named above for ☒ calendar year 1998 or ☐ tax year beginning _____, _____, and ending _____**b** If this tax year is for less than 12 months, check reason:
☐ Initial return ☐ Final return ☐ Change in accounting period ☐ Consolidated return to be filed
2 If this application also covers subsidiaries to be included in a consolidated return, complete the following:

Name and address of each member of the affiliated group	Employer identification number	Tax period

3 Tentative tax (see instructions).

3 NONE

4 Credits:**a** Overpayment credited from prior year.

4a

b Estimated tax payments for the tax year

4b

c Less refund for the tax year applied for on Form 4466

4c

Bal

4d

e Credit for tax paid on undistributed capital gains (Form 2439)

4e

f Credit for Federal tax on fuels (Form 4136)

4f

5 Total. Add lines 4d through 4f.

5

6 Balance due. Subtract line 5 from line 3. **Deposit this amount electronically or with a Federal Tax Deposit (FTD) Coupon** (see instructions)

6

NONE

Signature. Under penalties of perjury, I declare that I have been authorized by the above-named corporation to make this application, and to the best of my knowledge and belief, the statements made are true, correct, and complete.

(Signature of officer or agent)

PRESIDENT

(Title)

(Date)

MC000488

Form 1120S (1998) US MOBILCOMM, INC.

23-2767067 Page 3

Schedule K Shareholders' Shares of Income, Credits, Deductions, etc.

	(a) Pro rata share items	(b) Total amount
Income (Loss)	1 Ordinary income (loss) from trade or business activities (page 1, line 21)	1 -76,137.
	2 Net income (loss) from rental real estate activities (attach Form 8825)	2
	3a Gross income from other rental activities	3a
	b Expenses from other rental activities (attach schedule)	3b
	c Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c
	4 Portfolio income (loss):	
	a Interest income	4a 219.
	b Ordinary dividends	4b
	c Royalty income	4c
	d Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	4d
Deductions	e Net long-term capital gain (loss) (attach Schedule D (Form 1120S)):	
	(1) 28% rate gain (loss)	(2) Total for year ▶ 4e(2)
	f Other portfolio income (loss) (attach schedule)	4f
	5 Net section 1231 gain (other than due to casualty or theft) (attach Form 4797)	5
	6 Other income (loss) (attach schedule)	6
	7 Charitable contributions (attach schedule)	7
	8 Section 179 expense deduction (attach Form 4562)	8
	9 Deductions related to portfolio income (loss) (itemize)	9
	10 Other deductions (attach schedule)	10
	Investment Interest	11a Interest expense on investment debts
b (1) Investment income included on lines 4a, 4b, 4c, and 4f above		11b(1) 219.
(2) Investment expenses included on line 9 above		11b(2)
Credits	12a Credit for alcohol used as a fuel (attach Form 6478)	12a
	b Low-income housing credit:	
	(1) From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12b(1)
	(2) Other than on line 12b(1) for property placed in service before 1990	12b(2)
	(3) From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12b(3)
	(4) Other than on line 12b(3) for property placed in service after 1989	12b(4)
	c Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12c
	d Credits (other than credits shown on lines 12b and 12c) related to rental real estate activities	12d
Adjustments and Tax Preference Items	e Credits related to other rental activities	12e
	13 Other credits	13
	14a Depreciation adjustment on property placed in service after 1986	14a 84.
	b Adjusted gain or loss	14b
	c Depletion (other than oil and gas)	14c
	d (1) Gross income from oil, gas, or geothermal properties	14d(1)
	(2) Deductions allocable to oil, gas, or geothermal properties	14d(2)
	e Other adjustments and tax preference items (attach schedule)	14e
Foreign Taxes	15a Type of income ▶	
	b Name of foreign country or U.S. possession ▶	
	c Total gross income from sources outside the United States (attach schedule)	15c
	d Total applicable deductions and losses (attach schedule)	15d
	e Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	15e
	f Reduction in taxes available for credit (attach schedule)	15f
	g Other foreign tax information (attach schedule)	15g
Other	16 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶	16b
	17 Tax-exempt interest income	17
	18 Other tax-exempt income	18
	19 Nondeductible expenses	19 18.
	20 Total property distributions (including cash) other than dividends reported on line 22 below	20
	21 Other items and amounts required to be reported separately to shareholders (attach schedule)	
	22 Total dividend distributions paid from accumulated earnings and profits	22
23 Income (loss). (Required only if Schedule M-1 must be completed.) Combine lines 1 through 6 in column (b). From the result, subtract the sum of lines 7 through 11a, 15e, and 16b	23 -75,918.	

MC000489

Form 1120S (1998)

Page 4

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		11,687.		12,056.
2 a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. Government obligations				
5	Tax-exempt securities				
6	Other current assets (attach schedule)	STMT 3	60,800.		60,800.
7	Loans to shareholders		20,500.		20,500.
8	Mortgage and real estate loans				
9	Other investments (attach schedule)				
10 a	Buildings and other depreciable assets	132,275.		133,227.	
b	Less accumulated depreciation	94,220.	38,055.	112,126.	21,101.
11 a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)	28,500.		28,500.	
b	Less accumulated amortization	7,398.	21,102.	9,565.	18,935.
14	Other assets (attach schedule)	STMT 3	500,520.		502,020.
15	Total assets		652,664.		635,412.
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year		405,404.		405,404.
18	Other current liabilities (attach schedule)	STMT 3	1,256.		939.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach schedule)				
22	Capital stock		5.		5.
23	Additional paid-in capital		1,031,591.		1,090,591.
24	Retained earnings		-785,592.		-861,527.
25	Adjustments to shareholders' equity (attach schedule)				
26	Less cost of treasury stock		()		()
27	Total liabilities and shareholders' equity		652,664.		635,412.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (You are not required to complete this schedule if the total assets on line 15, column (d), of Schedule L are less than \$25,000.)

1	Net income (loss) per books	-75,936.	5	Income recorded on books this year not included on Schedule K, lines 1 through 6 (itemize):	
2	Income included on Schedule K, lines 1 through 6, not recorded on books this year (itemize):		a	Tax-exempt interest	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 11a, 15e, and 16b (itemize):		6	Deductions included on Schedule K, lines 1 through 11a, 15e, and 16b, not charged against book income this year (itemize):	
a	Depreciation		a	Depreciation	
b	Travel and entertainment	18.	7	Add lines 5 and 6	
4	Add lines 1 through 3	-75,918.	b	Income (loss) (Schedule K, line 23)	
			Line 4 less line 7.		-75,918.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see page 24 of the instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	-723,975.	
2	Ordinary income from page 1, line 21		
3	Other additions	219.	
4	Loss from page 1, line 21	(76,137.)	
5	Other reductions	(18.)	
6	Combine lines 1 through 5	-799,911.	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	-799,911.	

Form **4562****Depreciation and Amortization**
(Including Information on Listed Property)

OMB No. 1545-0172

1998Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach this form to your return.

Attachment
Sequence No. 67

Name(s) shown on return

Identifying number

US MOBILCOMM, INC.

23-2767067

Business or activity to which this form relates

GENERAL DEPRECIATION AND AMORTIZATION**Part I Election To Expense Certain Tangible Property (Section 179)** (Note: If you have any "listed property," complete Part V before you complete Part I.)

1	Maximum dollar limitation. If an enterprise zone business, see page 2 of the instructions	1	
2	Total cost of section 179 property placed in service. See page 2 of the instructions	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter amount from line 27	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1997. See page 3 of the instructions	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	18,500.
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 1999. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1998 Tax Year (Do Not Include Listed Property.)**Section A - General Asset Account Election**

- 14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions ☐

Section B - General Depreciation System (GDS) (See page 3 of the instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15a 3-year property						
b 5-year property		953	5.000	HY	200DB	144.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			27.5 yrs.	MM	S/L	
			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Alternative Depreciation System (ADS) (See page 5 of the instructions.)

16a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property.) (See page 6 of the instructions.)

17	GDS and ADS deductions for assets placed in service in tax years beginning before 1998	17	17,762.
18	Property subject to section 168(f)(1) election	18	
19	ACRS and other depreciation	19	

Part IV Summary (See page 6 of the instructions.)

20	Listed property. Enter amount from line 26	20	
21	Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	17,906.
22	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

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8C2300 1.000

For Paperwork Reduction Act Notice, see the separate instructions.

Form **4562** (1998)

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Form 4562 (1998)

Page 2

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only

23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See page 8 of the instructions for limits for passenger automobiles.)

23a Do you have evidence to support the business/investment use claimed?				Yes	No	23b If "Yes," is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
24 Property used more than 50% in a qualified business use (See page 7 of the instructions.):											
		%									
		%									
		%									
25 Property used 50% or less in a qualified business use (See page 7 of the instructions.):											
		%				S/L -					
		%				S/L -					
		%				S/L -					
26 Add amounts in column (h). Enter the total here and on line 20, page 1.							26				
27 Add amounts in column (i). Enter the total here and on line 7, page 1.							27				

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
28 Total business/investment miles driven during the year (DO NOT include commuting miles).						
29 Total commuting miles driven during the year						
30 Total other personal (noncommuting) miles driven						
31 Total miles driven during the year.						
Add lines 28 through 30						
	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?						
33 Was the vehicle used primarily by a more than 5% owner or related person?						
34 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 9 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners.		
37 Do you treat all use of vehicles by employees as personal use?		
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
39 Do you meet the requirements concerning qualified automobile demonstration use? See page 9 of the instructions.		

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1998 tax year:					
41 Amortization of costs that began before 1998				41	2,167
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				42	2,167

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Amortization

[illegible]

- Assets Retired

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K275 05/19/1999

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Alternative Minimum Tax Depreciation

[illegible]

US MOBILCOMM, INC.

23-2767067

FORM 1120S, PAGE 1 DETAIL
=====LINE 12 - TAXES
-----TAXES AND LICENSES EXCLUDING INCOME TAXES

FRANCHISE AND CAPITAL STOCK TAX 500.

TOTAL 500.
=====LINE 19 - OTHER DEDUCTIONS

AMORTIZATION	2,167.
TRAVEL, MEALS, AND ENTERTAINMENT	744.
INSURANCE	1,181.
OFFICE SUPPLIES	793.
POSTAGE AND FEDEX	485.
ACCOUNTING AND PROFESSIONAL SERVICES	38,898.
LEGAL SERVICES	5,227.
CORPORATE REGISTRATION	165.
DUES AND MEMBERSHIPS	840.
TELEPHONE	3,674.
TOTAL	54,174.

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STATEMENT 1

US MOBILCOMM, INC.

23-2767067

FORM 1120S, PAGE 2 DETAIL

SCH A, LINE 5 - OTHER COSTS

SITE RENT	82,386.
OTHER DIRECT SITE COSTS	17,349.
TOTAL	99,735.

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US MOBILCOMM, INC.

23-2767067

FORM 1120S, PAGE 4 DETAIL - SCH L

	BEGINNING	ENDING
LINE 6 - OTHER CURRENT ASSETS		
EQUIPMENT PARTS	9,000.	9,000.
LICENSE OPTION PAYMENTS	51,200.	51,200.
SECURITY DEPOSITS	600.	600.
TOTAL	60,800.	60,800.
LINE 14 - OTHER ASSETS		
CONSTRUCTION IN PROGRESS	500,520.	502,020.
TOTAL	500,520.	502,020.
LINE 18 - OTHER CURRENT LIABILITIES		
SALES TAX PAYABLE	1,256.	939.
TOTAL	1,256.	939.

MC000498

STATEMENT 3

US MOBILCOMM, INC.

23-2767067

FORM 1120S, PAGE 4 DETAIL
=====SCH M-2, LINE 3 - OTHER ADDITIONS - AAA

INTEREST INCOME 219.

TOTAL 219.
=====SCH M-2, LINE 5 - OTHER REDUCTIONS - AAA

50% DISALLOWED TRAVEL AND ENTERTAINMENT 18.

TOTAL 18.
=====

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STATEMENT 4

US MOBILCOMM, INC.

23-2767067

FEDERAL FOOTNOTE:

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RECONCILIATION OF ACCUMULATED ADJUSTMENTS ACCOUNT TO
RETAINED EARNINGS:

C CORPORATION EARNINGS AND PROFITS	- 61,617.
ACCUMULATED ADJUSTMENTS ACCOUNT	-799,910.
	<hr/>
BOOK RETAINED EARNINGS	-861,527.
	=====

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STATEMENT 5